

U.S. SKI & SNOWBOARD BOARD OF DIRECTORS' MEETING MINUTES

Wednesday, March 9, 2022, 1:00 p.m. – 3:30 p.m.
Videoconference

Meeting Chairman: Kipp Nelson

Vice Chair: Eric Resnick

Board Members Present: Liz Arky (Foundation), Frankki Bevins, Rosie Brennan (Cross Country Athlete), Alex Deibold (Snowboarding Athlete), Sophie Goldschmidt (President & CEO), Ken Graham (Foundation), Bryan Fletcher (Jumping/Nordic Combined Athlete), Cami Thompson Graves (Cross Country), Lisa Kosglow (At-Large), Darryl Landstrom (Alpine), Martina Lussi (Jumping/Nordic Combined), Troy Murphy (Freestyle Athlete), Warner Nickerson (Alpine Athlete), Dylan Omlin (Snowboarding), Mike Page (Freestyle), Kikkan Randall (Overall Athlete), Steve Shafran (Foundation), Steve Strandberg (Foundation), Tom Wallisch (Freeskiing Athlete), Andrew Weibrecht (USOPC AAC Athlete), and Tom Yaps (Freeskiing).

Ex-Officio Board Members Present: Dexter Paine, Emily Cook (USOPC AAC Alternate), Brian Leach, Kelly Pawlak, Nick Sargent, and Hank Tauber.

Board Members Excused:

Management Team Present: Sophie Goldschmidt (President & CEO), Brooke McAfee (CFO), Sheryl Barnes, Trisha Worthington, Michael O'Connor, Charlotte Moats, and Alison Pitt.

Additional Attendees: Tiger Shaw (CEO Emeritus), Jesse Hunt, Victoria Brown, Steve Pearlman, Gar Trayner, Sharka Fabian, Chip Knight, Craig Booth, Katie Kicklighter, David Peterson, Michael Sitton, Gillian Bower, Sara Madden, Scott Miller, and Annie Kao.

1. Chairman Calls the Meeting to Order & Established Quorum

Mr. Nelson called the meeting to order at 1:00 p.m., mountain time. Ms. Pitt made a roll call and noted that a quorum was present. Ms. Pitt requested that Directors declare conflicts concerning any item on the agenda at this time.

2. U.S. Ski & Snowboard November 10, 2021 Meeting Minutes' Approval: Alison Pitt

Thom Yaps moved, and Frankki Bevins seconded the motion to approve the meeting minutes from November 10, 2021. There was no comment and the motion passed unanimously.

3. U.S. Ski & Snowboard Chairman's Report: Kipp Nelson

Mr. Nelson noted the success at the Olympics and wished a quick recovery to athletes that were injured prior to and at the Games. Mr. Nelson introduced Guy Slattery, the new Chief Marketing Officer, and noted the accomplishments of Ms. Goldschmidt in her first few months in her role as President and Chief Executive Officer.

4. U.S. Ski & Snowboard Chief Executive Officer's Report: Sophie Goldschmidt

Ms. Goldschmidt discussed the outlook for the organization for the upcoming year. She summarized the innovations that she intends to implement including staff changes and restructuring to remain competitive and grow revenue opportunities. In addition to Mr. Slattery, Ms. Goldschmidt is seeking to hire a chief of

sport to optimize the organization's potential and to continue to focus on the grass roots development to the national team.

Additionally, Ms. Goldschmidt discussed the strategic planning and organization priorities/goals in three pillars (1) achieving athletic excellence (experience and performance) including winning at every level, the right way, with focus on further enhancing the development pipeline and elevating development as a priority, (2) growing visibility of sports and appeal of our sports, athletes, and brand through marketing initiatives, and (3) growing revenue and driving financial performance with a focus on revenue growth to fund key programs.

Regarding the second pillar, Ms. Goldschmidt discussed improving our pitch and marketing while linking to revenue and financial performance. All staff members are part of our sales team and our important to our ability to grow our revenue and be financially sustainable. The organization is also focusing on media opportunities and other revenue opportunities such as NFTs.

Financially, the organization was tracking well until our apparel partner's bankruptcy. The organization has closed the gap on the revenue loss and Ms. Goldschmidt thanked Mr. O'Connor and his team for locating new deals. For the outlook, the goal is to reach revenue deals earlier in the season. Ms. Goldschmidt discussed plans for brand positioning and creative to better reach our fan base and supporters. Regarding our apparel partner, we are in the midst of discussing our apparel partner options.

Ms. Goldschmidt recapped the Olympic impressions and medal count (15 medals, Mens Freeski x5, Aerials x2, SBX x2, Women's Snowboard x2, Cross Country x2, Alpine x1, Women's Moguls x1). We also had six 4th place finishes (Alpine x2, Men's Snowboard x2, Women's Aerials, Women's Cross Country). She thanked our medical and high-performance teams and especially Gillian Bowers, high performance director, and her team for their extraordinary efforts in supporting the team. Logistically, the Olympics were challenging this year. There was further discussion on mental health and personal and professional development including opportunities to improve and develop our staff and their skills.

On the digital recap for Beijing 2022, the overall ratings and viewing was down for the Olympics (42%) and earned compensation was down (50%). The Olympics are not as relevant for the younger generation. However, we had an increase in digital streaming with 4.3 billion streaming minutes, which is the most streamed Winter Games (98% increase from PyeongChang). We reached 88 million people, which was a 47% increase from 2018. We also had 32 million video views, which was a 256% increase from 2018.

The overall social success reached an all-time high of ~1,250 total posts on owned channels (~60 post per day). We had ~176 million impressions and 6.6 million engagements. We are stronger together when we assist our athletes and work together on social media channels. We are up 32% across our channels (355,000 new followers on owned channels) and 2.6 million (17%) new followers on athlete channels.

Ms. Goldschmidt highlighted the athlete success stories of Shaun White, Chloe Kim, Maddie Mastro, and Nina O'Brien, including top performer content, engagement, and reach. There were several media learnings from the Olympics, and we hope to be better coordinated and prepared for future events, including pre-planning for our social media and content. We worked well with NBC. Finally, Ms. Goldschmidt mentioned the media engagement on the allegations against our snowboardcross coach and assured that a thorough investigation is taking place and we have engaged outside legal counsel to assist.

5. Financial & Revenue Report: Brooke McAfee

Ms. McAfee discussed the FY2022 finance update noting that January 31, 2022, marked our third quarter close. The endowment balance is at an all-time high. Additionally, the debt balance is tied to the building. There is no debt tied to our line of credit. The operating budget is balanced with ~\$100K in net income and we have Employee Retention Tax Credit (ERC) pending.

We received our second PPP funding from the federal government, which is assisting with increased costs that we have experienced this year regarding additional expenses with the FY2022 operating budget including costs associated with COVID testing, Olympic planning, and insurance policies. The operating budget is currently balanced. Covid testing is expected to cost ~\$500,000 this year. Membership met its targets in the third quarter, and we have approximately 38,000 members, which is at an all-time high.

Ms. McAfee is currently strategically planning the budget for the FY23-FY26 cycle. Additionally, we expect to possibly have a decline in our funding from the USOPC for the next fiscal year. Ms. McAfee summarized the FY22 revenue trends to date.

There was further discussion among the Board on increased expenses this year on communication and creative. The expense has only increased \$100,000 from the prior fiscal year to the current fiscal year.

6. Nomination & Governance Committee Report: Steve Strandberg/Lisa Kosglow

Ms. Kosglow provided the update to the board on the efforts of the Nomination and Governance Committee. The AAC worked to increase athlete representation to 33.3% on the Board and designated committees prior to the end of the year.

For the new board seat, which is an overall athlete representative to the Board that can be a 10-year or a 10-year+ athlete, Ms. Kosglow reported that Kikkan Randall was elected by the eligible athletes to serve as the overall athlete representative to the Board.

Ms. Kosglow further reported that the Alpine and Cross-Country Sport Committees had put forward nominees for their new representatives. The Nomination and Governance Committee has interviewed the nominees and intends to put forward Karen Ghent as the Alpine Sport Committee representative and Rick Kapala as the Cross-Country Sport Committee representative at the annual meeting in May.

The Foundation nominated Dune Thorne as a new foundation representative to the Board. Additionally, Ms. Randall resigned as the USOPC ranking representative to the Board.

As Ms. Kosglow's term is ending at the annual meeting, Ms. Goldschmidt mentioned the efforts to locate a new At-large board seat with a focus on adding diversity as well as someone with a strength in marketing, commercial, and media experience.

Ms. Kosglow asked for a motion for Ms. Thorne's and Mr. Paine's appointment.

Mr. Graham moved, and Ms. Lussi seconded the motion to approve Dune Thorne as a Foundation Representative and Dexter Paine as the USOPC Ranking Representative (ex officio) to the Board of Directors. There was no comment and the motion passed unanimously.

There was discussion about the bylaw change to broaden our athlete representatives to include 10+ year athletes, which broadens alumni engagement and the pool of eligible athletes for service.

7. AAC Update: Warner Nickerson

Mr. Nickerson thanked the Nomination and Governance Committee with assistance on improving the AAC's process for nominating and selecting athletes for the committees. The AAC has seated over 20 new athletes on committees to meet 33.3%. The AAC has one more election in the next three weeks for the new Ski Jumping and Nordic Combined athlete representative to replace Bryan Fletcher, whose term is ending.

8. SafeSport, Avalanche & Security Update: Alison Pitt

Ms. Pitt reported that there is one plaintiff's injury litigation that is in the early cases. There was one athlete grievance filed by the NGB in December with the hearing held on January 3 and the Judicial Committee ruling in the NGB's favor.

Ms. Pitt summarized the open cases with the Center (17) and the NGB and reviewed the aging report of the open cases (3). We had our administrative audit in September 2021 and submitted our responses on November 5, 2021. We had our site visit on December 8, 2021 at the Toyota Grand Prix at Copper Mountain, Colorado, which is preliminary to our on-site event audit. Our on-snow event audit is currently scheduled on March 23-25, 2021 at the Moguls National Event.

We issued a new MAAPP that was published on December 1, 2021 and became effective on January 1, 2022. Additionally, the U.S. Center for SafeSport has updated the SafeSport Code, with the new code effective on April 1, 2022, and the prior code was on April 1, 2021. The new code along with a two-page summary of changes will be posted to our website and an announcement will be included in our newsletter to highlight it.

From our site visit, we had a few learnings and we've developed a quality control system that is known as our competition administration guide that outlines steps to be taken at events for SafeSport compliance. We've also developed a QR code for posting at events to assist with reporting from smartphones.

Finally, Ms. Pitt mentioned the membership Avalanche training course developed with the BRASS Foundation and the Utah Avalanched Center and that ~18,260 members have completed it (two-year cycle).

Mr. Landstrom was involved with a report to the Center on a bullying case that included sexual content amongst minor athletes. The member club suspended club membership, but not NGB membership, over the bullying incident with specific requirements for reinstatement to the member club. The Center took jurisdiction of the report and administratively closed the cases. The process and lack of resolution was difficult on this alpine community.

There was discussion among the Board about the length of time some of the cases have been open with the Center and concerns that several have exceeded one year. Ms. Goldschmidt noted that she met with the Center's CEO a few weeks ago. The Board agreed to discuss options and possibly opening a conversation with or sending a letter to the Center noting its concerns. There was discussion about prioritizing claims with a priority response system.

9. Diversity, Equity, and Inclusion Action Plan Update: Charlotte Moats/Annie

Ms. Ellen Adams and Ms. Annie Kao, our consultant assisting with our DEI action plan, provided updates including KPI highlights to date. For human resources, new hiring guide templates are in progress, LGBTQ+ inclusion training was delivered to staff, and the USOPC diversity scorecard is in progress.

On the Board of Directors and Board of Trustees, there is clarity on the specific criteria that we are seeking for candidates and having transparency.

Ms. Kao was happy to report that six (6) Gold passes were provided to the DEI community in partnership with the NSAA. Additionally, in sport education a coach mentorship program is underway, and we are sharing DEI practices with clubs. For membership, new LGBTQ+ data will be included with other demographic data for the USOPC diversity scorecard. Finally, in athletics, we were a bronze level sponsor for the NGS summit, and we partnered with Share Winter and Powdr to support the Catamount Trail Program at the Killington World Cup. Finally, we partnered with Visa to host SOS Outreach at Steamboat Visa Big Air.

10. FIS Update: Hannah Kearney

Ms. Kearney provided an update on recent FIS actions. With the new Russia invasion into Ukraine, the FIS Council had multiple emergency meetings to cancel events in Russia and then to review whether Russian and Belarus athletes should be banned from competitions. The FIS Council discussed with the athletes council and at a second meeting, the FIS Council voted to ban all Russian and Belarussian athletes for the remainder of the season which is in-line with the recommendation from the IOC.

The FIS Congress that was scheduled to be in person in May is scheduled to be changed to a hybrid meeting with most meetings being held online and one (1) delegate to meet in person. The FIS Statutes do not allow for hybrid meetings, so FIS is currently working with NSAs to receive approval for the change.

Mr. Nelson thanked Ms. Kearney for her efforts and participation.

11. USOPC Update: Andrew Weibrecht

Mr. Weibrecht reported that the last USOPC AAC meeting was dominated with discussion over the Russian figure skater being allowed to compete after the doping violation.

Ms. Goldschmidt added that there are current discussions with the USOPC on funding for the next season and we are hoping to maintain the current funding. There was discussion among the Board about the performance at the Games.

12. Upcoming U.S. Ski & Snowboard Board of Directors' Meeting Dates: Kipp Nelson

Mr. Nelson discussed the future Board meeting dates.

Tuesday, May 10, 2022 | 10:00 a.m. – 12:30 p.m. MDT

Mr. Nelson thanked Board members and employees for their work and focus.

13. Floor Open for Member Comments/Questions

Mr. Nelson asked if there were any comments or questions. There was discussion about the decreasing viewership for the Olympics. However, it was good to see the increased content and engagement as well as streaming. Additionally, it was great to hear former athletes as announcers in the sports. It was great engagement.

14. Closing Comments & Motion to Enter Executive Session

Mr. Nickerson moved, and Steve seconded the motion to adjourn the open session of the meeting and move to the executive session. The motion passed.

At 2:35 p.m., the Board went into an executive session.

Respectfully submitted.

/s/ Alison Pitt
Alison Pitt, Secretary of Meeting